





A PHI Company

**Pamela J. Scott**  
Assistant General Counsel

92DC42  
500 N. Wakefield Drive  
Newark, DE 19702

P.O. Box 6066  
Newark, DE 19714-6066

302.429.3143 – Telephone  
302.429.3801 – Facsimile  
pjscott@pepcoholdings.com

November 30, 2015

**VIA DELAFILE**

Donna Nickerson  
Secretary  
Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, DE 19904

Re: Application of Delmarva Power & Light Company to  
Establish the Utility Facility Relocation Charge  
("UFRC") Rate to Recover Costs Associated with  
the Relocation of Electric Utility Facilities

Dear Ms. Nickerson:

Delmarva Power & Light Company ("Delmarva" or "Company") submits the enclosed Application to establish the Utility Facility Relocation Charge ("UFRC") rate for recovery of capital improvement costs associated with electric facility relocations due to projects undertaken by the Delaware Department of Transportation or other governmental agencies pursuant to the provisions of 26 *Del. C.* §315 and corresponding regulations found at 26 *Del. Admin. C.* 1009. Also included with this Application is the Application Fee of \$100.00

Thank you for your attention to this matter. Should you have any questions or require any additional information, please do not hesitate to contact me at 302-429-3143 or Marlene Santacecilia at 302 454-4591.

Very truly yours,

  
Pamela J. Scott

Enclosures

cc: David Bonar (w/enclosures)  
Regina Iorii, Esquire (w/enclosures)  
Heather Hall (w/enclosures)  
Marlene Santacecilia (w/enclosures)  
Julie M. Donoghue, Esquire (w/enclosures)

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF )	
DELMARVA POWER & LIGHT COMPANY )	
TO ESTABLISH THE RATE FOR THE UTILITY )	
FACILITY RELOCATION CHARGE TO )	
RECOVER COSTS INCURRED IN )	PSC DOCKET NO.
CONNECTION WITH THE RELOCATION OF )	15 -
ELECTRIC UTILITY FACILITIES )	
(FILED NOVEMBER 30, 2015) )	

**APPLICATION OF DELMARVA POWER & LIGHT COMPANY  
TO ESTABLISH THE RATE FOR THE UTILITY FACILITY  
RELOCATION CHARGE TO RECOVER COSTS  
INCURRED IN CONNECTION WITH THE  
RELOCATION OF ELECTRIC UTILITY FACILITIES**

Delmarva Power & Light Company  
Pamela J. Scott  
P.O. Box 6066  
Newark, DE 19714-6066  
(302) 429-3143  
(302) 429-3801 (fax)  
[pjscott@pepcoholdings.com](mailto:pjscott@pepcoholdings.com)

Date: November 30, 2015

**BEFORE THE PUBLIC SERVICE COMMISSION  
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DELMARVA POWER & LIGHT COMPANY )	
TO ESTABLISH THE RATE FOR THE UTILITY )	
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(FILED NOVEMBER 30, 2015) )	

**APPLICATION OF DELMARVA POWER & LIGHT COMPANY  
TO ESTABLISH THE RATE FOR THE UTILITY FACILITY  
RELOCATION CHARGE TO RECOVER COSTS  
INCURRED IN CONNECTION WITH THE  
RELOCATION OF ELECTRIC UTILITY FACILITIES**

Delmarva Power & Light Company (“Delmarva” or the “Company”), by and through its undersigned counsel, hereby files this application (“Application”) with the Public Service Commission of the State of Delaware (the “Commission”) to establish the rate for the Utility Facility Relocation Charge (“UFRC”) to recover costs the Company has incurred to relocate electric utility facilities as a result of projects undertaken by the State Department of Transportation or other governmental agencies. This Application is being submitted pursuant to the provisions of 26 *Del. C.* §315 and corresponding regulations found at 26 *Del. Admin. C.* 1009.

In support of this Application and pursuant to the provisions of 26 *Del. Admin. C.* 1009 §3.0, Delmarva provides the following:

1. Schedule 1 showing the development of the UFRC Rate and supporting documentation (Exhibit A);
2. Schedule 1A showing the capital structure approved in Delmarva's most recent Base Rate Case (Docket No. 13-115) (Exhibit B);
3. Schedule 1B showing the over/under collections from previous UFRC Filings – in this case that amount is \$0.00 as this is Delmarva's first UFRC filing for unreimbursed electric facility relocation expenses (Exhibit C);
4. Schedule 2 identifying, by Company project number, the relocated unreimbursed utility plant or facilities and plant retired (Exhibit D);
5. Schedule 2A showing the net accumulated depreciation identified by FERC USOA account number (Exhibit E);
6. Schedule 3 containing a clean and red-lined version of the revised tariff pages (Exhibit F); and
7. The Filing Fee of \$100.00.

WHEREFORE, Delmarva requests that, the UFRC rate as proposed become effective January 1, 2016.

Respectfully submitted,

DELMARVA POWER

By: 

Pamela J. Scott  
PO Box 6066  
Newark, DE 19714-6066  
(302) 429-3143  
[pjscott@pepcoholdings.com](mailto:pjscott@pepcoholdings.com)

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF )	
DELMARVA POWER & LIGHT COMPANY )	
TO ESTABLISH THE RATE FOR THE UTILITY )	
FACILITY RELOCATION CHARGE TO )	
RECOVER COSTS INCURRED IN )	PSC DOCKET NO.
CONNECTION WITH THE RELOCATION OF )	15 -
ELECTRIC UTILITY FACILITIES )	
(FILED NOVEMBER 30, 2015) )	

**ORDER NO. \_\_\_\_\_**

**AND NOW**, to-wit, this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 20\_\_, the Delaware Public Service Commission (“Commission”) determines and orders the following:

**WHEREAS**, on November 30, 2015, Delmarva Power & Light Company (“Delmarva” or “Company”) filed with the Commission the above-captioned Application (“Application”) seeking approval to establish the rate for the Utility Facility Relocation Charge (“UFRC”) to recover costs incurred in connection with the relocation of electric utility facilities due to projects undertaken by the State Department of Transportation or other governmental agencies; and

**WHEREAS**, Commission Staff and the Division of the Public Advocate have reviewed the Application and documentation supporting same and have determined that the Application complies with the provisions of 26 *Del. C.* §315 and 26 *Del. Admin. C.* 1009 and recommends that the Application be approved; and

**WHEREAS**, the Commission, having determined that the Application complies with 26 *Del. C.* §315 and 26 *Del. Admin. C.* 1009 and that the proposed UFRC rate should be permitted to become effective as of January 1, 2016;

**NOW THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE  
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. That the Application requesting the establishment of a UFRC rate to recover costs incurred by the Company to relocate electric utility facilities pursuant to 26 *Del. C.* §315 be approved.

2. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
COMMISSIONER

\_\_\_\_\_  
COMMISSIONER

\_\_\_\_\_  
COMMISSIONER


\_\_\_\_\_  
COMMISSIONER

ATTEST:

\_\_\_\_\_  
SECRETARY

STATE OF DELAWARE                     )  
  )  
COUNTY OF NEW CASTLE            )       SS.

On this 30th day of November, 2015, personally came before me, the subscriber, a Notary Public in and for the State and County aforesaid Gary R Stockbridge, Regional President of Pepco Holdings, Inc., a Corporation existing under the laws of the State of Delaware, party to this Application, known to me personally to be such, and acknowledged this Application to be his act and deed and the act and deed of such Corporation, that the signature of such Regional President is in his own proper handwriting, and that the facts set forth in this Application are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Gary R. Stockbridge  
President – Delmarva Region

SWORN TO AND SUBSCRIBED before me this 30th day of November, 2015.

  
\_\_\_\_\_  
Notary Public   
My Commission expires: N/A



**CERTIFICATE OF SERVICE**

I, Pamela J. Scott, do hereby certify that DELMARVA POWER & LIGHT COMPANY'S APPLICATION TO ESTABLISH THE RATE FOR THE UTILITY FACILITY RELOCATION CHARGE TO RECOVER COSTS INCURRED IN CONNECTION WITH THE RELOCATION OF GAS UTILITY FACILITIES was caused to be served via Delafile and electronic mail this 30th day of November, 2015, upon the following:

The Delaware Public Service Commission  
861 Silver Lake Boulevard  
Cannon Building, Suite 100  
Dover, DE 19904  
Attn.: Donna Nickerson

Division of the Public Advocate  
29 South State Street  
Dover, DE 19901  
Attn.: David Bonar

Regina A. Iorii, Esquire  
Department of Justice  
Carvel State Office Building  
820 N. French Street  
Wilmington, De 19801

Julie "Jo" Donoghue, Esquire  
Department of Justice  
Carvel State Office Building  
820 N. French Street  
Wilmington, De 19801

  
\_\_\_\_\_  
Pamela J. Scott

## **EXHIBIT A**

**Delmarva Power & Light Company: Delaware Electric Utility Facility Relocation Charge (UFRC) Filing**  
**Rate Effective period 01/01/2016-06/30/2016**

Rate  
Effective:  
1/1/16

**Form 1**

**Schedule 1: Development of Rate and Supporting Data**

	Item	1/1/2013 - 9/30/2015
1	Net Utility Plant Additions (Schedule 1A and Schedule 2)	\$ 244,619.35
2	Net Accumulated Depreciation Reserve Charge (Schedule 2A)	\$ 645,960.32
3	Net Change in Rate Base (Line 1 +Line 2)	\$ 890,579.67
4	Pre-tax Rate of Return (Schedule 1A)	12.370%
5	Semi-Annual Pre-Tax rate of Return (Line 4/2)	6.190%
6	Semi-Annual Investment Cost Recovery (Line 3*Line 5)	\$ 55,126.88
7	Semi-Annual Depreciation Expense (Schedule 2A)	\$ 113,185.69
8	Semi-Annual UFRC Revenue Requirement (Line 6 +Line 7)	\$ 168,312.57
8a	Total Over-/Undercollection from Previous UFRC (Schedule 1B)	\$ -
9	Total Semi-Annual UFRC Revenue Requirement (Line 8 + Line 8A)	\$ 168,312.57
10	Semi-Annual Projected Distribution Revenues ( applicable recovery period)	\$ 99,749,767
11	Projected UFRC Rate Increase (Line 9/Line 10)	0.17%

## **EXHIBIT B**

Delmarva Power & Light Company: Delaware Electric Utility Facility Relocation Charge (UFRC) Filing  
Rate Effective period 01/01/2016-06/30/2016

Rate  
Effective:  
1/1/16

Form 2

Schedule 1A: Capital Structure Approved in Most Recent Base Rate Case

Capital Structure in PSC Docket No. 13-115					
	Ratios	Cost Rate	Wtd Cost	Revenue Multiplier	Pre-Tax Cost
Cost of Debt	50.78%	4.91%	2.49%	1.70423	4.24%
Cost of Equity	49.22%	9.70%	4.77%	1.70423	8.13%
	100%		7.26%	1.70423	12.37%

Note: The Revenue Multiplier reflects the removal of the Wilmington Franchise Tax pursuant to Order No. 8589 in Docket No. 13-115 effective November 1, 2015.

## **EXHIBIT C**

**Delmarva Power & Light Company: Delaware Electric Utility Facility Relocation Charge (UFRC) Filing**  
**Rate Effective period 01/01/2016-06/30/2016**

Rate  
Effective:  
1/1/16

**Form 3**

**Schedule 1B: Over/Under Collections From Previous UFRC Filings**

Docket No.	Over/(Under)Collection
13-115	\$0.00
Total	\$0.00

## **EXHIBIT D**



## Form 4

## Schedule 2: Projects Placed into Service and/or Retired

Utility Plant in Service 1/1/2013 - 9/30/2015				
Project name	Description	Project No.	UFRC Net Amount (net of CIAC)	Retirement Cost
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT-STATE ROAD 26 PLANS-CONTRACT # 24-112-10	6078533	\$ 48,001.76	\$ 4,127.03
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT-US 113 INTERSECTION IMPROVEMENT-CONTRACT # 28-009-02	6080688	\$ 62,025.97	\$ 9,336.17
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT PROJECT 23-073-03 - RELOC DIST FACILITIES AT IRI	6092539	\$ 143,894.94	\$ 35,686.53
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6098339	\$ 1,085,812.39	\$ 110,458.15
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT T200900801-CARPENTER BRIDGE ROAD RELOC	6098885	\$ 34,542.18	\$ 4,604.63
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT-T200600801-PEARSONS CORNER RELOC	6098889	\$ 55,619.71	\$ (14.23)
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT - T200411210 PH-1 RELOC-FAC	6099009	\$ 318,568.30	\$ 94,805.46
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T200411210-RT26 PH_2-RELOC FACILITIES	6100015	\$ 267,157.35	\$ 77,378.24
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T200411210-RT 26 PH_3-RELOC FACILITIES	6100016	\$ 229,523.34	\$ 69,819.25
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T200411210-RT 26 PH_4-RELOC FACILITIES	6100017	\$ 157,628.32	\$ 49,435.98
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T200812201-ROUTE 1 & 30 RELOCATION	6100875	\$ 304,604.22	\$ 106,298.34
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T200900804-STATE ST & SORGHUM MILL RD - RELOC	6100878	\$ 54,450.36	\$ 7,953.56
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (US 301 PROJECT)	6101948	\$ 112,040.34	\$ 15,360.61
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (US 202 & I-95 INTERCHANGE)	6102771	\$ 119,334.10	\$ 5,243.11
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (US 301 PROJECT)	6104541	\$ 48,963.00	\$ 6,269.47
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (WASHINGTON ST /SOUTH ST PROJECT)	6104732	\$ 115,262.65	\$ 26,499.91
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_RELOCATE FAC_PLANTATION RD-T200911201	6105284	\$ 100,817.62	\$ 11,644.71
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_RELOCATE FAC_SEAFORD-THARP RD_T200412401	6105877	\$ 30,079.42	\$ 14,891.66
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (SR 52 & SR 82 PROJECT)	6106410	\$ 49,863.17	\$ 1,413.88
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (US 301 PROJECT)	6107615	\$ 185,327.93	\$ 5,609.69
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (US 301 PROJECT)	6108541	\$ 74,516.81	\$ 1,451.66
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6111383	\$ 1,770.85	\$ 48.04
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT - REPLACE CABLE WYOMING MILL - T201107201	6112570	\$ 84,914.22	\$ 13,395.87
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT-SEAFORD INTERSECTION IMPROVEMENTS-CONTRACT# 24-124-01	6112943	\$ 87,209.02	\$ 16,398.89
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6113275	\$ 918.59	\$ 93.45
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6113484	\$ 6,814.31	\$ 7.69
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6113927	\$ 19,928.81	\$ 246.45
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT - UPGRD POLES RAISE PRIMARY FOR SIGNAL LIGHT	6113971	\$ 13,891.90	\$ 2,587.93
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT T200812202- S FREDRICA	6116627	\$ 6,200.53	\$ 859.62
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (ROUTE 273 MULTI - USE TRAIL)	6117111	\$ 10,958.79	\$ 3,614.89
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT - RELOC- CONFLICT AREAS ROUTE 26 PROJECT T200411210.1	6117781	\$ 26,075.38	\$ 4,209.88
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6117891	\$ 4,367.40	\$ 1,991.94
UDLNCH0C.1 - Reimbursable - Install - CH	CITY OF WILMINGTON DEPT OF PUBLIC WORKS	6119598	\$ 952.21	\$ 4,109.89
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6121105	\$ 100,446.44	\$ 26,126.40
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS	6121266	\$ 1,090.11	\$ 65.18
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (HYETTS CORNER RD)	6127018	\$ 74,101.43	\$ 17,918.51
UDLBCH0M.2 - MI - Highway Relocations - Non-Reimbursable	DELDOT T200412202-LITTLE HEAVEN RELOC	6129910	\$ 11,696.58	\$ 1,420.79
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT T200412202-LITTLE HEAVEN RELOC	6130327	\$ -	\$ 7,776.78
UDLNCH0C.1 - Reimbursable - Install - CH	DIV OF HWYS (NEWPORT RD BRIDGE OVER CSX)	6072959	\$ 12,175.96	
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT PROJECT 23-016-01 - RELOC FACILITIES (UNDERGROUND )	6095435	\$ 26,594.50	
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_T201107207-VICTORY CHAPEL RD RELOC UG	6100874	\$ 7,508.74	
UDLBCH0M.1 - MI - Highway Relocations - Reimbursable	DELDOT_VICTORY CHAPEL-2ND BORE - PROJECT T201107207	6108528	\$ 6,868.06	
UDLBCH0M.2 - MI - Highway Relocations - Non-Reimbursable	HA-DE2229-RELIABILITY/CLEARANCE	6132491	\$ 26,040.89	
Total			\$ 4,128,558.60	\$ 759,146.01
Net Total			\$ 3,369,412.59	

## **EXHIBIT E**

Schedule 2A: Net Accumulated Depreciation

Net Additions to Plant and Depreciation Expense 4/1/2015 - 9/30/2015				
Account Name	FERC/NARUC Account No.	Amount	Annual Depreciation Rate	Depreciation Amount
Mains-Cast Iron Pipe	3761	\$ (20,232.95)	1.92%	\$ (169.72)
Mains-Plastic Pipe	3763	\$ 1,598,217.47	1.86%	\$ 9,361.00
<b>TOTAL</b>		<b>\$ 1,577,984.52</b>		<b>\$ 9,191.28</b>
<b>Semi-Annual Depreciation Expense</b>				<b>\$ 9,191.28</b>

Accumulated Depreciation Reserve Change			
Depreciation Expense (Schedule 2A)		\$	(9,191.28)
Retirements (Schedule 2)		\$	20,529.77
<b>Total</b>		\$	<b>11,338.49</b>

## **EXHIBIT F**

RIDER "UFRC"

UTILITY FACILITY RELOCATION CHARGE RIDER – continued

D. Filing (Continued)

1. The UFRC rate shall also be reset to zero if, in any quarter, data filed with the Commission by the Company show that the electric utility will earn a rate of return that exceeds the rate of return established in its last general rate filing or by Commission order as described in paragraph 2.a of this Rider, if such was determined subsequent to the final order in the company's last general rate filing. Further, the UFRC rate shall be reinstated when such data show that the established rate of return is not exceeded and will not be exceeded if the UFRC rate is reinstated and reset.

The UFRC is set forth as follows: 0.17%

RIDER "UFRC"

UTILITY FACILITY RELOCATION CHARGE RIDER – continued

D. Filing (Continued)

1. The UFRC rate shall also be reset to zero if, in any quarter, data filed with the Commission by the Company show that the electric utility will earn a rate of return that exceeds the rate of return established in its last general rate filing or by Commission order as described in paragraph 2.a of this Rider, if such was determined subsequent to the final order in the company's last general rate filing. Further, the UFRC rate shall be reinstated when such data show that the established rate of return is not exceeded and will not be exceeded if the UFRC rate is reinstated and reset.

The UFRC is set forth as follows: 0.0017%

~~Filed May 6, 2014~~ November 30, 2015 Effective with Meter Readings Reading On and After May January 1, 2014 2016  
~~Filed in Compliance with Order No. 8549 in Docket No. 13-115~~  
As Corrected

Proposed